GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1604
ANSWERED ON:25.07.2017
Smart Card Technology in PDS
Agrawal Shri Rajendra

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government proposes to use Smart Card Technology in the Public Distribution System (PDS) and if so, the details and the objectives thereof;
(b) whether the Government has consulted the States in this regard and if so, the response of the States thereto;
(c) the other steps taken by the Government for effective implementation of and bringing transparency in PDS;
(d) whether the Government has taken a decision to set up shops under PDS in all wards of Gram Panchayats all over the country; and
(e) if so, the number of Panchayats in the country where this scheme has been implemented, State-wise?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a) & (b): No, Madam.
(c): For effective implementation of the Public Distribution System (PDS), Government is implementing a scheme on "End-to-end Computerization of Targeted Public Distribution System (TPDS) Operations". The scheme comprises digitization of ration cards/beneficiary and other databases, online allocation, computerization of supply-chain management, setting up of transparency portal and grievance redressal mechanisms. Besides, Central Govt. has also asked States/UTs to opt for any of the two models of Direct Benefit Transfer − Cash transfer of food subsidy into the bank account of beneficiaries or Fair Price Shop (FPS) automation, which involves installation of Point of Sale (PoS) device at FPS, for authentication of beneficiaries and electronic capturing of transactions. The cash transfer of food subsidy is being implemented in 3 UTs namely Chandigarh, Puducherry w.e.f. 01-09-2015 and partially in Dadra & Nagar Haveli w.e.f. 01-03-2016. So far, more than 2,45,706 FPSs are automated across the country.
(d) & (e): As per section 24 and 25 of National Food Security Act, 2013 (NFSA), State/UT Governments are responsible to establish institutionalised licensing arrangement for Fair Price Shops (FPSs) in accordance with the relevant provisions of the Targeted Public Distribution System (Control Order) 2015. At present 5.27 lakh FPSs are operational across the country.
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